United Nations S/AC.49/2009/11

Security Council

Distr.: General
29 July 2009

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 27 July 2009 from the Permanent Mission of Italy to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Italy to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006) and has the pleasure to transmit Italy's report on steps taken with a view to effectively implementing the provisions set out in the above resolution and in resolution 1874 (2009) (see annex).

09-43269 (E) 310709

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Annex to the note verbale dated 27 July 2009 from the Permanent Mission of Italy to the United Nations addressed to the Chairman of the Committee

Pursuant to paragraph 22 of Security Council resolution 1874 (2009), which was unanimously adopted on 12 June 2009, Italy has the honour to convey as follows the requested information concerning the implementation of the provisions envisaged in paragraph 8 of resolution 1718 (2006) as well as paragraphs 9, 10, 18, 19 and 20 of resolution 1874 (2009), pending the approval of relevant new EU legislation.

1. Regarding the implementation of the restrictions on the sales of arms to the Democratic People's Republic of Korea (DPRK), the Italian Government would like to inform that the export of weapons of any kind and defence material is regulated in Italy by Law 185/90. This law, in addition to envisaging the strict implementation of arms embargo deliberated by the United Nations or the EU, prescribes stringent criteria for the granting of export licences. Threat to peace and to regional stability and standard of compliance to human rights are the two most relevant benchmarks the Italian assessments are based upon. Therefore export licences cannot be issued in violation of the provisions of resolutions 1718 and 1874. Furthermore, Italy abides by the political commitments stemming from the EU Code of Conduct, which also sets stringent rules on individual Members' decision on whether or not to authorize an export licence.

2. As to the control of dual-use items, Italy has adopted decree law 96/2003, which describes the national administration of the relevant EU legislation. According to this legal basis, Italy monitors and controls the export of dual-use items listed by the various control regime. With reference to the products listed in paragraph 8 of Security Council resolution 1718, as updated by the decision of the 1718 Security Council Committee dated 16 July 2009, applications for an export licence shall not be approved. Moreover, decree law 96/2003 stipulates that any technical assistance on dual-use items is prohibited when it is related to weapons of mass destruction.

3. Italy will implement the restrictions on admission of person, entities and bodies as designated by the 1718 Committee and by the relevant EU legislation. Moreover, Italy, as a Schengen member State, lists DPRK among the countries whose nationals are required to hold a visa when crossing external EU borders.

4. With reference to paragraph 8 (f) envisaging cooperative action to prevent illicit trafficking in nuclear, chemical or biological weapons, their means of delivery and related materials, Italy recalls its active participation in the Proliferation Security Initiative since its launching in 2003. Within this framework Italy regularly takes part in air, ground and sea interdiction exercises. Italy strictly enforces all the relevant provision at the United Nations and EU level (EU Common position 795 adopted on 20 November 2006 and EU Regulation 329/2007, as amended by EU Regulation 117/2008).

5. Concerning the restrictive measures concerning sensitive goods and technology, luxury goods and the freezing of funds and economic resources, Italy has actively participated in the enforcement of the European legal instruments (EU Common position 795 adopted on 20 November 2006 and EU Regulation 329/2007, as amended by EU Regulation 117/2008) as well as in the negotiation for the

pending approval of a new EU Common Position following the adoption of the United Nations Security Council resolution 1874. Italy shall strictly implement the measures imposed by paragraph 8 (d) of resolution 1718 on the entities, bodies and individuals designated at the EU and United Nations level (in particular through the decision of the 1718 Security Council Committee dated 16 July 2009 and through EC Regulation No. 389/2009 dated 12 May 2009.

6. Moreover, the above-mentioned legal framework has been detailed and strengthened by the enactment, at the national level, of the decree law 109/2007, whose article 13 provides an articulated sanctionatory regime related to freezing of financial assets and economic resources. In particular, with regard to the embargo on luxury goods, the renewed Italian commitment has been confirmed recently by the decision of the Italian authorities to block the sale of luxury yachts to an Austrian company under the suspicion that they were destined for a buyer in North Korea, in violation of the international embargo. As a result of such a decision, the two boats were confiscated on 28 May and the advance payment frozen. The blocking of the sale of the two yachts follows an earlier measure taken this year by the Italian authorities for the prevention of the shipment to DPRK of high-end electrical/electronic apparata for recording and reproducing sound and images.

United Nations S/AC.49/2009/12

Security Council

Distr.: General
29 July 2009

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 24 July 2009 from the Permanent Mission of New Zealand to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of New Zealand to the United Nations in New York presents its compliments to the Chair of the Committee established pursuant to resolution 1718 (2006) (Democratic People's Republic of Korea), and has the honour to submit the attached report (see annex) in line with paragraph 22 of Security Council resolution 1874 (2009).

09-43482 (E) 040809

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Annex to the note verbale dated 24 July 2009 from the Permanent Mission of New Zealand to the United Nations addressed to the Chairman of the Committee

Report of New Zealand on the implementation of sanctions imposed under Security Council resolutions 1718 (2006) and 1874 (2009)

July 2009

Under paragraph 22 of resolution 1874 (2009) adopted on 12 June 2009, the Security Council called upon

> all Member States to report to the Security Council within forty-five days of the adoption of this resolution ... on concrete measures they have taken in order to implement effectively the provisions of paragraph 8 of resolution 1718 (2006) as well as paragraphs 9 and 10 of this resolution, as well as financial measures set out in paragraphs 18, 19 and 20 of this resolution.

New Zealand's implementation measures

In New Zealand the United Nations Sanctions (Democratic People's Republic of Korea) Regulations 2006 promulgated under the United Nations Act 1946 implement Security Council resolution 1718 (2006). A copy of the Regulations is attached.*

New Zealand wishes to inform the Committee that it is working to implement the additional measures contained in Security Council resolution 1874 (2009) by way of amendments to the Regulations. It is anticipated that the approval process will be complete in the near future and that the United Nations Sanctions (Democratic People's Republic of Korea) Amendment Regulations 2009 will enter into force early in September.

Implementation of paragraph 8 of Security Council resolution 1718 (2006)

Paragraph 8 of resolution 1718 (2006) states:

> *The Security Council*
>
> ...
>
> 8. *Decides* that:
>
> (a) All Member States shall prevent the direct or indirect supply, sale or transfer to the Democratic People's Republic of Korea, through their territories or by their nationals, or using their flag vessels or aircraft, and whether or not originating in their territories, of:
>
> (i) Any battle tanks, armoured combat vehicles, large-calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register of

* The document is on file with the Secretariat and is available for consultation.

Conventional Arms, or related materiel, including spare parts, or items as determined by the Security Council or the Committee established by paragraph 12 below (the Committee);

(ii) All items, materials, equipment, goods and technology as set out in the lists in documents S/2006/814 and S/2006/815, unless within 14 days of the adoption of the present resolution the Committee has amended or completed their provisions, also taking into account the list in document S/2006/816, as well as other items, materials, equipment, goods and technology, determined by the Council or the Committee, which could contribute to the Democratic People's Republic of Korea's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes;

(iii) Luxury goods;

(b) The Democratic People's Republic of Korea shall cease the export of all items covered in subparagraphs (a) (i) and (ii) above and that all Member States shall prohibit the procurement of such items from the Democratic People's Republic of Korea by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of the Democratic People's Republic of Korea;

(c) All Member States shall prevent any transfers to the Democratic People's Republic of Korea by their nationals or from their territories, or from the Democratic People's Republic of Korea by its nationals or from its territory, of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of the items in subparagraphs (a) (i) and (ii) above;

(d) All Member States shall, in accordance with their respective legal processes, freeze immediately the funds, other financial assets and economic resources which are on their territories at the date of the adoption of the present resolution or at any time thereafter, that are owned or controlled, directly or indirectly, by the persons or entities designated by the Committee or by the Council as being engaged in or providing support for, including through other illicit means, the Democratic People's Republic of Korea's nuclear-related, other weapons of mass destruction-related and ballistic missile-related programmes, or by persons or entities acting on their behalf or at their direction, and ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any persons or entities within their territories, to or for the benefit of such persons or entities;

(e) All Member States shall take the necessary steps to prevent the entry into or transit through their territories of the persons designated by the Committee or by the Council as being responsible for, including by supporting or promoting, policies of the Democratic People's Republic of Korea in relation to the Democratic People's Republic of Korea's nuclear-related, ballistic missile-related and other weapons of mass destruction-related programmes, together with their family members, provided that nothing in this paragraph shall oblige a State to refuse its own nationals entry into its territory;

(f) In order to ensure compliance with the requirements of this paragraph, and thereby preventing illicit trafficking in nuclear, chemical or biological weapons, their means of delivery and related materials, all Member States are called upon to take, in accordance with their national authorities and legislation, and consistent with international law, cooperative action, including through inspection of cargo to and from the Democratic People's Republic of Korea, as necessary;

The Regulations implement paragraph 8 of resolution 1718 (2006) as follows:

- Regulations 4, 7, 8, 10, 12 and 13, and the Schedule which lists luxury goods, implement paragraph 8 (a) of resolution 1718 (2006)
- Regulations 4, 7, 10, 11, 12 and 13 implement paragraph 8 (b) of resolution 1718 (2006)
- Regulation 14 implements paragraph 8 (c) of resolution 1718 (2006)
- Regulations 15 and 16 implement paragraph 8 (d) of resolution 1718 (2006)
- Regulation 17 implements paragraph 8 (e) of resolution 1718 (2006).

Implementation of paragraphs 9 and 10 of resolution 1874 (2009)

Paragraphs 9 and 10 of resolution 1874 (2009) state:

The Security Council

...

9. *Decides* that the measures in paragraph 8 (b) of resolution 1718 (2006) shall also apply to all arms and related materiel, as well as to financial transactions, technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of such arms or materiel;

10. *Decides* that the measures in paragraph 8 (a) of resolution 1718 (2006) shall also apply to all arms and related materiel, as well as to financial transactions, technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of such arms, except for small arms and light weapons and their related materiel, and calls upon States to exercise vigilance over the direct or indirect supply, sale or transfer to the Democratic People's Republic of Korea of small arms or light weapons, and further decides that States shall notify the Committee at least five days prior to selling, supplying or transferring small arms or light weapons to the Democratic People's Republic of Korea;

The Regulations will be amended to implement the measures required under paragraphs 9 and 10 of resolution 1874 (2009) by provisions that:

- extend the existing embargo relating to military equipment to arms generally
- extend the definition of weapons of mass destruction-related and ballistic missile-related goods to include recently published lists of such items
- extend the embargo on the provision of advice, assistance, services etc. to financial transactions

- prohibit the provision of bunkering services to vessels of the Democratic People's Republic of Korea
- update the preconditions to ministerial consent for otherwise prohibited activities. (This provision will be used to ensure that the Committee is given the requisite amount of notice under paragraph 10 in the event of a proposed transaction involving small arms and light weapons.)

Implementation of paragraphs 18, 19 and 20 of resolution 1874 (2009)

Paragraphs 18, 19 and 20 of resolution 1874 (2009) state:

> *The Security Council*
>
> ...
>
> 18. *Calls upon* Member States, in addition to implementing their obligations pursuant to paragraphs 8 (d) and (e) of resolution 1718 (2006), to prevent the provision of financial services or the transfer to, through, or from their territory, or to or by their nationals or entities organized under their laws (including branches abroad), or persons or financial institutions in their territory, of any financial or other assets or resources that could contribute to the Democratic People's Republic of Korea's nuclear-related, ballistic missile-related, or other weapons of mass destruction-related programmes or activities, including by freezing any financial or other assets or resources on their territories or that hereafter come within their territories, or that are subject to their jurisdiction or that hereafter become subject to their jurisdiction, that are associated with such programmes or activities and applying enhanced monitoring to prevent all such transactions in accordance with their national authorities and legislation;
>
> 19. *Calls upon* all Member States and international financial and credit institutions not to enter into new commitments for grants, financial assistance, or concessional loans to the Democratic People's Republic of Korea, except for humanitarian and developmental purposes directly addressing the needs of the civilian population, or the promotion of denuclearization, and also calls upon States to exercise enhanced vigilance with a view to reducing current commitments;
>
> 20. *Calls upon* all Member States not to provide public financial support for trade with the Democratic People's Republic of Korea (including the granting of export credits, guarantees or insurance to their nationals or entities involved in such trade) where such financial support could contribute to the Democratic People's Republic of Korea's nuclear-related or ballistic missile-related or other weapons of mass destruction-related programmes or activities;

New Zealand does not currently promote, assist or engage in trade with the Democratic People's Republic of Korea. The last time New Zealand traded with the Democratic People's Republic of Korea was in 1999 when $NZ 101,829 worth of goods, mostly insulated wire, were imported from the Democratic People's Republic of Korea.

In addition, financial institutions and relevant authorities in New Zealand have been made aware of the provisions of paragraph 20 relating to services or transfers

that could contribute to the Democratic People's Republic of Korea's nuclear-related, ballistic missile-related, or weapons of mass destruction-related programmes. Nothing untoward has been uncovered to date and New Zealand will remain vigilant to suspicious activity in this area.

General information on New Zealand's implementation of Security Council sanctions can be found at http://mfat.govt.nz/Treaties-and-International-Law/09-United-Nations-Security-Council-Sanctions/index.php. The website will be updated as soon as the amendments to implement resolution 1874 (2009) have been promulgated.

United Nations S/AC.49/2009/13

Security Council

Distr.: General
31 July 2009

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 27 July 2009 from the Permanent Mission of the Republic of Korea to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Korea to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006) and, with reference to the latter's note dated 29 June 2009, has the honour to transmit the report of the Republic of Korea on the steps it has taken with a view to implementing resolution 1874 (2009) (see annex).

09-45151 (E) 120809

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Annex to the note verbale dated 27 July 2009 from the Permanent Mission of the Republic of Korea to the United Nations addressed to the Chairman of the Committee

Report of the Republic of Korea on the implementation of Security Council resolution 1874 (2009)

I. Introduction

The Government of the Republic of Korea is committed to faithfully implementing Security Council resolution 1874 (2009) and to rendering serious and full cooperation to the Security Council Committee established pursuant to Security Council resolution 1718 (2006).

The Government of the Republic of Korea has taken the requisite legislative and executive measures to ensure compliance with the requirements of resolution 1718 (2006) and, submitted a report on its implementation of the resolution on 13 November 2006 to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006). In accordance with the adoption of resolution 1874 (2009), the Government of the Republic of Korea scrutinized additional legislative and executive measures pursuant to resolution 1874 (2009), and has taken further steps in order to fully implement the relevant provisions of the resolution.

Through inter-ministerial consultation meetings, the Government of the Republic of Korea has reviewed various measures to be taken by the respective ministries and agencies to find more efficient and better ways to implement resolution 1874 (2009).

As a member of all international non-proliferation and export control regimes, including the Nuclear Suppliers Group, the Missile Technology Control Regime, the Australia Group, the Zangger Committee, and the Wassenaar Arrangement, the Republic of Korea has established a full range of strict export and import control systems over weapons of mass destruction, missiles, other weapons, as well as their related materials and technologies commensurate with international standards. The Government of the Republic of Korea will continue to contribute to the international efforts to strengthen non-proliferation regimes.

II. Implementation

1. Prevention on sales of arms and related materials (paras. 9 and 10)

A. The current law and regulation system of the Republic of Korea

Control on arms and related materials to be transferred to and from the Democratic People's Republic of Korea

Due to the unique nature of inter-Korean relations, the Republic of Korea is placing stricter control on the transfer of commodities to and from the Democratic People's Republic of Korea than on the general trade with other countries. Under the South-North Exchanges and Cooperation Act and its related decrees, any transfer of commodities to and from the Democratic People's Republic of Korea requires a

prior approval by the Government of the Republic of Korea (i.e., the Minister of Unification). In particular, any transfer of arms to and from the Democratic People's Republic of Korea is strictly prohibited.

In addition, the Republic of Korea is inspecting all goods transferred from the Democratic People's Republic of Korea. In cases where goods are transferred to the Democratic People's Republic of Korea, the customs office carries out additional inspections to verify that the transaction has been approved by the Government of the Republic of Korea. These steps demonstrate the determination of the Government of the Republic of Korea to enforce stricter customs clearance procedures on goods transferred to and from the Democratic People's Republic of Korea compared to on the goods imported from or exported to other countries.

Control on the transfer of strategic items to and from the Democratic People's Republic of Korea

With respect to strategic goods controlled pursuant to paragraph 8 (a) (i) and (ii) of Security Council resolution 1718 (2006), the Republic of Korea, a signatory to major international export-control regimes such as the Wassenaar Arrangement, has taken necessary measures by revising and updating domestic laws in compliance with the provisions under the regimes. For instance, in August 2007, the Republic of Korea enacted the Public Notice on the Procedures for Approval of the Transfers of Strategic Goods to the Democratic People's Republic of Korea, which subjects all goods transferred to and from the Democratic People's Republic of Korea to the strategic goods import-export control system.

According to the Public Notice, Korean nationals who wish to bring an item into the Democratic People's Republic of Korea are obliged to check whether the item has a strategic purpose. In this regard, to ensure the accuracy of the prior check, the Government of the Republic of Korea is offering relevant assistance, if necessary, via a designated Government-affiliated organization specialized in this field.

Thus far, there have been no cases in which a controlled item was approved to be taken into the Democratic People's Republic of Korea.

According to the relevant law, any person who obtains approval to transfer strategic goods into the Democratic People's Republic of Korea in a fraudulent or dishonest manner and/or transfer them into the Democratic People's Republic of Korea without approval is subject to a maximum of three years in prison or a fine of up to 10 million won.

Prevention of financial transactions, technical training, advice, services or assistance with respect to arms and related materials

The Republic of Korea has been controlling contacts and exchanges between residents of North and South Korea. Pursuant to the South-North Exchanges and Cooperation Act, South Koreans planning to visit North Korea or promoting a joint project with North Koreans are required to report such plans to the Government and should obtain Government approval prior to making contact with North Korean residents.

Through the implementation of such controls, the Republic of Korea has prevented financial transactions, technical training, advice, services or assistance

relating to goods described in the paragraph 8 (a) (i) and (ii) of resolution 1718 (2006), as well as the transfer of arms described in paragraphs 9 and 10 of resolution 1874 (2009) to and from the Democratic People's Republic of Korea.

B. Actions taken and plans for additional measures

After the adoption of resolution 1874 (2009), the Government of the Republic of Korea revised the Public Notice on the List of Goods for Approval and Approval Procedures for Taking Goods Into and From the Democratic People's Republic of Korea and the Public Notice on the List of Goods Banned for Visitors to and from the Democratic People's Republic of Korea and Disposal of Such Goods to incorporate the items prohibited by paragraph 8 (a) (i) and (ii) of resolution 1718 (2006) and has implemented strict control over transfers of prohibited items to and from the Democratic People's Republic of Korea. Those two public notices were published in the Government journal on 10 July 2009.

The Government of the Republic of Korea has applied strict criteria in approving strategic items used specially for military purposes, with a view to banning their transfer to the Democratic People's Republic of Korea via third countries. In particular, the Government of the Republic of Korea has strengthened its examination process, by requiring and identifying end-user certificates for export of strategic items to the countries that could attempt to transfer such items to the Democratic People's Republic of Korea.

The Government of the Republic of Korea plans to review its overall control systems and reinforce information sharing among relevant Government agencies in order to further improve transparency in controlling the transfer of goods to and from the Democratic People's Republic of Korea.

C. Designation of luxury goods

To effectively control the items specified in paragraph 8 (a) (iii) of resolution 1718 (2006), the Government of the Republic of Korea has designated a list of 13 luxury goods and officially set out the list in the Government journal on 10 July 2009. The transfer of the listed luxury goods is required to have advance Government approval and customs inspections.

No.	*Type*	*Contents in detail*
1	Alcoholic beverages	* Wines * Ethyl Alcohol, spirituous liquors, and other alcoholic beverages
2	Cosmetics	* Perfumes * Cosmetics, including foundations and manicure-related,'and pedicure-related products
3	Leather goods	* Trunks, suitcases, cosmetic cases, executive cases, briefcases, satchels, and other similar bags * Handbags * Pockets or other products that may be carried in handbag * Clothing and accessories
4	Fur items	* Fur clothing, accessories, and other fur products
5	Carpeting goods	* Carpeting products and other textile carpets

No	*Type*	*Contents in detail*
6	Pearls and jewelry	* Natural or hatchery pearls * Diamonds * Jewelry * Silver * Gold * Gilded products * White gold, white gold-plated products * Ornaments and their accessories * Products that contain jewelry
7	Electronic goods	* Transmitter products for radio or televisions, television cameras, digital cameras, and videocassette recorders * Monitors, projectors, and related products excluding television transmitter products
8	Automobiles	* Passenger cars and other vehicles * Motorcycles and bicycles or sidecars with assistant motors
9	Vessels	* Yachts, other vessels for excursion or exercise, boats with paddles, and canoes
10	Optical instruments	* Cameras * Movie cameras and projectors for movies
11	Timepieces	* Wristwatches, pocket watches, and other wearable timepieces
12	Musical instruments	* Pianos, harpsichords, and other stringed keyboard instruments * String instruments * Wind instruments * Electronic musical instruments
13	Artwork and curios	* Collections and specimens * Curios

2. Vessel inspection (paras. 11-17)

A. The current law and regulation system of the Republic of Korea

Application of the South-North Agreement on Maritime Transportation and Inspection of North Korean Vessels

The Government of the Republic of Korea does not recognize the right of innocent passage in its territorial waters for Democratic People's Republic of Korea vessels, unlike for other foreign vessels. Democratic People's Republic of Korea vessels granted permission under the South-North Agreement on Maritime Transportation, which entered into force in August 2005 (hereinafter referred to as "the Agreement"), are allowed to navigate only within designated sea lanes of the territorial waters. The Agreement applies to Democratic People's Republic of Korea commercial vessels that travel between the Republic of Korea and the Democratic People's Republic of Korea, between the Republic of Korea and the Democratic People's Republic of Korea through a third country, and between Democratic People's Republic of Korea ports in the East and West coasts.

During navigation, 10 types of activities are prohibited, including shipping weapons or their parts. If suspected of conducting prohibited activities, the vessels may be stopped, boarded and inspected for violations. When a violation is confirmed, maritime authorities may demand that the vessel leave its sea jurisdiction.

In accordance with the Agreement, a vessel that arrives in a port of the other country shall be governed by the rules of the corresponding country. Accordingly, the Government of the Republic of Korea, in accordance with domestic laws, has applied strict monitoring of Democratic People's Republic of Korea vessels when they enter its ports.

Inspection of land and air cargo to and from the Democratic People's Republic of Korea

Under the South-North Exchanges and Cooperation Act and its relevant laws, when planes, trains, or cars enter or leave the Democratic People's Republic of Korea, the Republic of Korea inspects cargo in immigration offices (Kyungui Line, Donghae Line Transit Office, airports) according to customs procedures.

In particular, items from the Democratic People's Republic of Korea shall be fully inspected, and permission for items entering the Democratic People's Republic of Korea shall be reconfirmed by the Gove t of the Republic of Korea at customs.

B. Actions taken and plans for additional measures

In accordance with relevant Security Council resolutions, the Agreement, and domestic laws, the Government of the Republic of Korea will take necessary steps to stop, inspect, seize and dispose items, when there are "reasonable grounds" to believe that the items prohibited under the resolutions are being transferred.

In accordance with the Aviation Act and the Procedures for the Overflight Approval, an aircraft suspected of carrying the controlled items set out under resolutions 1718 (2006) and 1874 (2009) to and from the Democratic People's Republic of Korea will not be allowed to fly through the territorial airspace of the Republic of Korea. Additionally, ports in the Republic of Korea will enhance the inspections of vessels through the use of scientific equipment such as the Z Backscatter Van and the container inspection system.

3. Financial and economic sanctions (paras. 18-20)

A. The current law and regulation system of the Republic of Korea

Prohibition of financial transactions that may contribute to weapons of mass destruction-related or ballistic missile-related programmes or activities

Financial transactions of Republic of Korea companies and organizations with the Democratic People's Republic of Korea are subject to the South-North Exchanges and Cooperation Act and related regulations.

In this regard, the Government of the Republic of Korea provides administrative guidance to Republic of Korea companies in order to prevent them from doing business with banks and companies of the Democratic People's Republic of Korea linked to weapons of mass destruction proliferation. The Government of the Republic of Korea also carries out thorough inspections on the nature of the business and on the contents of the export items.

Thus far, no Republic of Korea company has conducted business transactions with Democratic People's Republic of Korea companies or organizations designated under resolutions 1718 (2006) and 1874 (2009). Furthermore, there are no

Democratic People's Republic of Korea-owned assets or accounts under the jurisdiction and territory of the Republic of Korea.

New regulation on provision of grants, financial assistance or concessional loans other than those for humanitarian, developmental and denuclearization purposes

The Government of the Republic of Korea has provided food loans and fertilizers to the Democratic People's Republic of Korea for humanitarian purposes. It also supported the construction of base facilities for establishment of the Gaeseong Industrial Complex via credit assistance and grants.

When providing humanitarian aid grants or loans for economic joint projects such as the Gaeseong Industrial Complex to the Democratic People's Republic of Korea, the Government of the Republic of Korea has carried out strict examination and managed the scale and the details of the financial resources through an inter-agency consultative body called the South-North Exchange and Cooperation Promotion Consultative Committee (with the Minister of Unification as Chairperson).

Prohibition against providing public financial support for commercial transactions with the Democratic People's Republic of Korea that may contribute to weapons of mass destruction-related or ballistic missile-related programmes or activities

Trade with the Democratic People's Republic of Korea by Republic of Korea companies is strictly commercial based and mostly involves transactions regarding agricultural and marine products and processing-on-commission. Those companies that wish to trade with the Democratic People's Republic of Korea must receive the Government's approval to transfer commodities to and from the Democratic People's Republic of Korea, in accordance with the South-North Exchange and Cooperation Act and its related regulations.

The Government of the Republic of Korea has installed insurance and loan systems that provide public funds (i.e., the South-North Cooperation Fund) to companies partaking in trade with the Democratic People's Republic of Korea, in accordance with the South-North Cooperation Fund Act and its related regulations.

When companies trading with the Democratic People's Republic of Korea apply for insurance or loans, the Government of the Republic of Korea will closely examine those applications in strict observance with the South-North Cooperation Fund Act and its related regulations for approval.

B. Actions taken and plans for additional measures

Prohibition against financial transactions that may contribute to weapons of mass destruction-related or ballistic missile-related programmes or activities

As a follow-up to the decision of the Security Council Committee to designate the three entities of the Democratic People's Republic of Korea as subject to assets freezes under resolution 1718 (2006), following the 12 April 2009 statement by the President of the Security Council (S/PRST/2009/7), the Government of the Republic of Korea included the entities in its sanction list and took the necessary measures in accordance with the Guideline on Payment and Receipt for Implementation of Duty to Keep International Peace and Safety pursuant to the Foreign Exchange Transaction Act on 1 June 2009.

With regard to the designation of additional entities, goods and individuals of the Democratic People's Republic of Korea by the Security Council Committee on 16 July 2009, the Government of the Republic of Korea will also take the prompt measures to implement the designations.

If the Security Council decides to impose sanctions on additional Democratic People's Republic of Korea companies or banks, the Government of the Republic of Korea will also prohibit companies under its jurisdiction from conducting transactions with the sanctioned companies and banks by amending its related regulations and providing guidance to the Republic of Korea companies.

New regulation on the provision of grants, financial assistance or concessional loans other than those for humanitarian, developmental and denuclearization purposes

Provision by the Government of the Republic of Korea of new loans for the Democratic People's Republic of Korea will be withheld until a resolution is reached on the nuclear weapons issue.

In addition, the Government of the Republic of Korea will examine the promotion of development cooperation, which directly affects the livelihoods of Democratic People's Republic of Korea nationals, while taking into account circumstances surrounding the Democratic People's Republic of Korea nuclear weapons issue.

Prohibition against providing public financial support for commercial transactions with the Democratic People's Republic of Korea that may contribute to weapons of mass destruction-related or ballistic missile-related programmes or activities

When Republic of Korea companies apply for insurance or loans to have trade with the Democratic People's Republic of Korea, the Government of the Republic of Korea will strengthen preliminary examinations on the content of the businesses and the trading partners. The Government of the Republic of Korea will also further reinforce a follow-up management system for existing loans and insurance.

United Nations S/AC.49/2009/14

Security Council

Distr.: General
29 July 2009
English
Original: French

Security Council Committee established pursuant to resolution 1718 (2006)

Letter dated 27 July 2009 from the Chargé d'affaires a.i. of the Permanent Mission of Belgium to the United Nations addressed to the Chairman of the Committee

In accordance with Security Council resolution 1874 (2009), paragraph 22, Belgium has the honour to transmit to the Security Council Committee established pursuant to resolution 1718 (2006) the following information on concrete measures it has taken in order to implement effectively the provisions of paragraph 8 of resolution 1718 (2006) as well as paragraphs 9 and 10 of resolution 1874 (2009), as well as financial measures set out in paragraphs 18, 19 and 20 of resolution 1874 (2009).

1. Belgium and the other States members of the European Union have jointly implemented the restrictive measures set forth in paragraph 8 of resolution 1718 (2006) by adopting Common Position 2006/795/CFSP of 20 November 2006. This European instrument prohibits the export of goods or technology which could contribute to North Korea's nuclear-weapon-related, other-weapons-of-mass-destruction-related or ballistic-missile-related programmes, the provision of related services, the procurement of items and technology from the Democratic People's Republic of Korea and the export of luxury goods to the Democratic People's Republic of Korea; it also calls for the freezing of funds and economic resources of persons, entities and agencies which engage in or provide support for the aforementioned North Korean programmes.

In particular, with a view to uniform application by the economic operators of all member States, Council Regulation (EC) No. 329/2007 of 27 March 2007 concerning restrictive measures against the Democratic People's Republic of Korea ensures implementation by the European Community. This Regulation includes the list of goods and technologies adopted by the Sanctions Committee's decision of 1 November 2006.

The European Commission provides regular updates through amendments to Council Regulation (EC) No. 329/2007. The Commission also adapted the list of goods and technologies adopted by Council Regulation (EC) No. 329/2007 through Council Regulation (EC) No. 117/2008 of 28 January 2008. Following the Sanctions Committee's decision of 24 April 2009, it again modified the list of individuals,

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entities and agencies whose funds and economic resources must be frozen by adopting Council Regulation (EC) No. 389/2009 of 12 May 2009. Another amendment is being prepared in order to reflect the Sanctions Committee's decision of 16 July 2009.

2. Pending the adoption of new measures by the Council of the European Union, the Belgian Government has already taken appropriate steps to implement some of the provisions of paragraphs 9, 10, 18, 19 and 20 of resolution 1874 (2009).

The Act of 11 May 1995 on the implementation of United Nations Security Council decisions and the Act of 13 May 2003 on the implementation of restrictive measures adopted by the Council of the European Union against States and certain individuals and entities are the legal basis for the application of sanctions in Belgium.

In accordance with paragraphs 9, 10 and 18 of resolution 1874 (2009), Belgium has legislation requiring that an export licence be obtained for any supply, sale, transfer or export of arms and related materiel to third countries. This legislation is the basis for implementation of the arms embargo against the Democratic People's Republic of Korea and of the prohibition of the provision of related services.

The Act of 5 August 1991 on the import, export and transit of military and law enforcement arms, ammunition and materiel and related technology and on measures to combat trafficking in such items, as amended by the Act of 26 March 2003, forbids any person residing in Belgium to take part in any arms transaction without a licence issued for that purpose by the Minister of Justice. The Act further provides that licensees may not carry out any transaction in violation of an embargo declared by an international organization of which Belgium is a member (arts. 10 and 11). Lastly, the Act provides that any export or transit licence application must be rejected if it is incompatible with Belgium's international obligations and its commitments to implement the arms embargoes declared by the United Nations, the Organization for Security and Cooperation in Europe and the European Union (article 4, paragraph 1(2)).

Paragraphs 19 and 20 of resolution 1874 (2009) call upon States not to enter into new commitments for grants, financial assistance, or concessional loans to, and not to provide public financial support for trade with, the Democratic People's Republic of Korea. As that country is not included in the list of Belgian cooperation partner countries, the opportunities for any grants are rather limited. In the preliminary policy review, the obligations arising from resolution 1874 (2009) preclude the provision of bilateral financial support for exports.

3. The new Council of the European Union Common Position, adopted on 27 July 2009, encompasses and strengthens the lists of dual-use goods established by the Sanctions Committee and the list of prohibited persons and of persons and entities whose assets have been frozen, which have also been established by the Sanctions Committee. In addition to prohibiting subsidies, credit or insurance to the People's Democratic Republic of Korea pursuant to paragraphs 19 and 20 of resolution 1874 (2009), the Common Position calls for the voluntary elimination of existing subsidies. It introduces a system under which financial institutions will report to the authorities of member States with a view to the monitoring of transactions linked to the Democratic People's Republic of Korea which may

contribute to nuclear proliferation, thereby facilitating the implementation of resolution 1874 (2009), paragraph 18. It also introduces a system for prior notification of all cargo transport to or from the Democratic People's Republic of Korea in order to facilitate the implementation of resolution 1874 (2009), paragraph 11. It implements paragraphs 12 to 16 of the resolution, on inspections on the high seas; paragraph 17, on the provision of services to vessels of the Democratic People's Republic of Korea; and paragraph 28, on the teaching of students from the Democratic People's Republic of Korea. These measures will need to be implemented in part through an (EC) regulation as from September 2009.

(*Signed*) Christine **Detaille**
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Permanent Mission of Belgium to the United Nations

United Nations S/AC.49/2009/15

Security Council

Distr.: General
31 July 2009
English
Original: French

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 27 July 2009 from the Permanent Mission of France to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of France to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith the report of France regarding the implementation of Security Council resolution 1874 (2009) in accordance with paragraph 8 thereof (see annex).

Additional information will be communicated to the Committee following the adoption by the European Union of common positions and relevant regulations.

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Annex to the note verbale dated 27 July 2009 from the Permanent Mission of France to the United Nations addressed to the Chairman of the Committee

Report of France to the Security Council

In paragraph 22 of its resolution 1874 (2009) of 12 June 2009, the Security Council "calls upon all Member States to report to the Security Council within forty-five days of the adoption of this resolution and thereafter upon request by the Committee on concrete measures they have taken in order to implement effectively the provisions of paragraph 8 of resolution 1718 (2006) as well as paragraphs 9 and 10 of this resolution, as well as financial measures set out in paragraphs 18, 19 and 20 of this resolution".

In accordance with these provisions, France wishes to bring to the Security Council's attention the following information on the measures taken to implement them. As a member of the European Union, it is France's duty to implement the Common Position (CFSP) which:

- Requests States to act within their areas of competence (military embargo, cooperation, transit through their territory ...); and
- Requests the European Community to act within its areas of competence (freezing of assets, trade embargos, financial vigilance). In order to do this, the European Union provides the European Community with a Regulation (EC).

I. Implementation of paragraph 8 of Security Council resolution 1718 (2006)

1. Norms adopted by the European Union

On 20 November 2006, the Council of the European Union adopted Common Position 2006/795/CFSP concerning restrictive measures against the Democratic People's Republic of Korea.

This European Union document is based on the provisions of Security Council resolution 1718 (2006). It calls for:

- An embargo on sensitive goods and related services and financing;
- A prohibition on the supply of luxury goods;
- Measures restricting movement on the territory of States members of the European Union;
- Measures to freeze financial assets;
- Cooperative action by member States in order to prevent illicit trafficking in weapons of mass destruction, their means of delivery and related materiel and technology.

For certain provisions of the Common Position which fall within the competence of the European Community on 27 March 2007, the Council of the European Union adopted Council Regulation (EC) No. 329/2007 which was modified by Council Regulation (EC) No. 389/2009 of 12 May 2009.

Legally, European Community regulations are directly and immediately applicable from the time of their publication in the *Official Journal of the European Communities*, and therefore do not require any additional measures for implementation at the national level.

2. *Implementation at the national level*

Embargo on battle tanks, armoured combat vehicles, large/calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel

Council Regulation (EC) No. 329/2007 has provided a legal basis for the systematic prohibition of any export from European Union member States of the items listed in paragraph 8 (a) (i) of Security Council resolution 1718 (2006) of any conventional-weapons-related items listed by the Sanctions Committee.

The export from France of war materiel is strictly controlled on the basis, inter alia, of Decree-Law No. 18 of 18 April 1939 establishing regulations governing war materiel, arms and munitions, as well as the Defence Code (articles L.2335-2 and L.2335-3). This document provides for the prohibition of such exports. Export licences, which constitute an exception to that provision, may be issued only on completion of an inter-ministerial review procedure.

Under that procedure, the Inter-Ministerial Commission for the Study of War Materiel Exports, on the basis of Security Council resolution 1718 (2006), Common Position 2006/795/CFSP and Regulation (EC) No. 329/2007, now rejects all applications for approval of negotiations for the sale of, or of the sale of, war materiel to the Democratic People's Republic of Korea.

Arms exporters are informed of the applicable legislation.

Embargo on items, materials, equipment, goods and technology which could contribute to the Democratic People's Republic of Korea's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes

Council of the European Union Regulation (EC) No. 329/2007 introduced a regulatory base that systematically prohibits all exports from States members of the European Union of any of the items listed in paragraph 8 (a) (ii) of Security Council resolution 1718 (2006) and of such items relating to conventional weapons as may be listed by the Committee.

Embargo on luxury goods

Council of the European Union Regulation (EC) No. 329/2007 introduced a normative base that systematically prohibits all exports from States members of the European Union of the following luxury goods:

1. Pure-bred horses
2. Caviar and caviar substitutes
3. Truffles and preparations thereof

4. High-quality wines (including sparkling wines), spirits and spirituous beverages
5. High-quality cigars and cigarillos
6. Luxury perfumes, toilet waters and cosmetics, including beauty and make-up products
7. High-quality leather, saddlery and travel goods, handbags and similar articles
8. High-quality garments, clothing accessories and shoes (regardless of their material)
9. Hand-knotted carpets, hand woven rugs and tapestries
10. Pearls, precious and semi-precious stones, articles of pearls, jewellery, gold or silversmith articles
11. Coins and banknotes, not being legal tender
12. Cutlery of precious metal or plated or clad with precious metal
13. High-quality tableware of porcelain, china, stone- or earthenware or fine pottery
14. High-quality lead crystal glassware
15. High end electronic items for domestic use
16. High end electrical/electronic or optical apparatus for recording and reproducing sound and images
17. Luxury vehicles for the transport of persons on earth, air or sea, as well as their accessories and spare parts
18. Luxury clocks and watches and their parts
19. High-quality musical instruments
20. Works of art, collectors' pieces and antiques
21. Articles and equipment for skiing, golf, diving and water sports
22. Articles and equipment for billiards, automatic bowling, casino games and games operated by coins or banknotes

Prohibition of all transfers of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of weapons or of items, materials, equipment, goods and technology which could contribute to nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes

Council of the European Union Regulation (EC) No. 329/2007 prohibits all transfers of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of weapons or of items, materials, equipment, goods and technology which could contribute to nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes.

In order to prevent the transfer of knowledge or expertise that could be used in connection with proliferation programmes, France requires all heads of institutions that are subject to a strict security regime or controlled access to seek authorization from the senior clearance officer of the relevant Ministry in order to admit a visitor or trainee who is not a national of a member of the European Union. In addition, a consular vigilance procedure is being applied to prevent acquisition of expertise and know-how which are sensitive from the standpoint of proliferation of nuclear, biological and chemical weapons, as well as missiles, by nationals of the Democratic People's Republic of Korea.

On the basis of Security Council resolution 1718 (2006), the European Union's Common Position 2006/795/CFSP and Regulation (EC) No. 329/2007, authorization is not granted to nationals of the Democratic People's Republic of Korea.

Freezing financial assets and economic resources and prohibition of funding

Council of the European Union Regulation (EC) No. 329/2007 permits the freezing of financial assets of persons and entities identified by the Sanctions Committee and prohibits funds, financial assets or economic resources from being made available to such persons or entities.

On 24 April 2009, the Sanctions Committee established pursuant to Security Council resolution 1718 (2006) placed three North Korean entities under sanctions. Regulation (EC) No. 389/2009 of 12 May 2009 allowed these persons to be added to the sanctions list mentioned in Regulation (EC) No. 329/2007.

A new community regulation will allow the addition to this list of the persons and entities placed under sanctions by the Committee established pursuant to Security Council resolution 1718 (2006) on 16 July 2009.

These provisions are taken into account by banks and financial institutions in France, which are informed of them by, inter alia, the Ministry of the Economy, Industry and Employment.

Denial of entry into French territory

Since the announcement of the nuclear test carried out on 9 October 2006, France has severely restricted access to its territory by nationals of the Democratic People's Republic of Korea.

Visa applications submitted on behalf of high-level officials of the State or Party are being examined on a case-by-case basis, and are granted only on humanitarian grounds.

France will continue to apply these measures until the authorities of the Democratic People's Republic of Korea make a significant step towards meeting with their commitments and satisfying the concerns of the international community.

Inspection of cargo transported to or from the Democratic People's Republic of Korea

Special control measures applicable to commercial shipments from and to the Democratic People's Republic of Korea have been implemented by the customs authorities.

These measures apply to exports to the Democratic People's Republic of Korea of weapons and goods that could be used in programmes relating to ballistic missiles or nuclear or other weapons of mass destruction, and to imports of weapons. In addition to these measures, a monitoring mechanism has been set up to prevent the trafficking of banned shipments by sea to or from the Democratic People's Republic of Korea.

In application of these measures, the customs authorities, inter alia, inspected goods on a vessel belonging to the Democratic People's Republic of Korea which docked at Mayotte on 13 November 2006.

II. Implementation of paragraphs 9, 10, 18, 19 and 20 of Security Council resolution 1874 (2009)

1. Norms adopted by the European Union

As a result of the adoption of Security Council resolution 1874 (2009) on 12 June 2009, the Common Position of the European Union for 2006 and the implementing regulations must be modified. The new Common Position of the European Union was adopted by the Council of the European Union on 27 July 2009. The finalization of the community implementing regulation will then be able to start.

2. Implementation at the national level

France's existing national measures for the implementation of Security Council resolution 1718 (2006) have been strengthened pending the adoption of the European norms mentioned above.